

Austin & Rogers, P.A.

ATTORNEYS AND COUNSELORS AT LAW

WILLIAM FREDERICK AUSTIN
(1930-2016)

TIMOTHY F. ROGERS
RAYMON E. LARK, JR.
RICHARD L. WHITT
EDWARD L. EUBANKS
W. MICHAEL DUNCAN*

COLUMBIA OFFICE
CONGAREE BUILDING
508 HAMPTON STREET, SUITE 203
POST OFFICE BOX 11716 (29211)
COLUMBIA, SOUTH CAROLINA 29201
TELEPHONE: (803) 256-4000
FACSIMILE: (803) 252-3679
WWW.AUSTINROGERSPA.COM

OF COUNSEL:
JEFFERSON D. GRIFFITH, III

* ALSO ADMITTED IN N.C.

September 20, 2018

VIA, ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: • **Docket 2018-202-E**
 • **Directive Order No. 2018-580**

Ms. Boyd:

This update complies with the Directive Order referenced above, and is provided on behalf of Ecoplexus, Inc., and the South Carolina Solar Business Alliance, Inc., ("SCSBA").

DISCOVERY

- SCSBA – SCSBA has received, and is reviewing, the Company's Response to SCSBA's First Request for Production. Additionally, SCSBA served SCSBA's First Set of Interrogatories on the Company September 7, 2018, with a return date from the Company of September 27, 2018.
- Ecoplexus, Inc., - Ecoplexus has not yet served discovery.

COMMENTS

- Given the positions articulated by First Solar, Inc. in its Petition to Intervene in this Docket and First Solar's support for expedited treatment of these issues, the SCSBA would like to take this opportunity to expound upon its concerns related to any potential exemption from or abridgement of the SCGIP:

- The North Carolina Utilities Commission has not yet approved updated interconnection procedures to accommodate CPRE. Oral argument on the interim proposal is scheduled for September 24, 2018.
- Although Duke Energy initiated a stakeholder process in June 2017, to address modifications to the North Carolina Interconnection Procedures (NCIP), no such stakeholder process was initiated in South Carolina to address modifications or exemptions to the SCGIP, (Duke held meetings and calls to *explain* the proposed changes to the industry and to ORS, but they did not invite South Carolina parties to provide input on the initial proposal).
- Interconnection delays in DEC and DEP territory in South Carolina have resulted in only a nominal number of interconnection agreements signed since 2015 and hundreds of projects are currently backlogged in the study process.
- Although Duke Energy will be offering 20-year PPAs at up to its avoided cost rate through the CPRE solicitation in NC, QFs in South Carolina that are not eligible for Duke's standard-offer rates are only being offered 5-year PPAs by Duke Energy. Five-year PPAs are not financeable.
- It is not clear from Duke's filing that projects in South Carolina, which have spent years in the interconnection queue and invested significant sums of money to comply with the SCGIP, will be treated fairly with regards to a CPRE exemption for projects that are recent entrants to the serial queue. Duke asserts that CPRE projects will not take priority over in-queue projects that do not (or cannot) participate in CPRE for purposes of allocating responsibility for network upgrades. However, Duke's responses to ORS's discovery requests (e.g. DR 1-27, 1-29, and 1-30) indicate that: (1) CPRE projects will be studied "concurrently" with non-CPRE projects; and that (2) experienced Duke personnel currently working on non-CPRE transmission interconnection requests will be diverted to work on the study of CPRE projects.
- The CPRE's "Independent Administrator", Accion Group, clarified on September 18, 2018, that South Carolina projects will not be treated as favorably as North Carolina projects for purposes of qualifying for "late stage" status, (which can have potentially significant effects on a CPRE project's network upgrade costs).
- In summary, the SCSBA is not opposed in principle to a CPRE-style approach to cluster study analyses and a competitive approach to solar procurement, but any significant change to the SCGIP should be the result of a deliberate and comprehensive stakeholder process, that takes into account the current delays by Duke in processing its serial queue. SCSBA will file its recommendations with this Commission, for resolving any issues in this Docket, upon receipt and review of final discovery materials from the Company.

Regards,
AUSTIN & ROGERS, P.A.

/s/Richard L. Whitt,
Richard L. Whitt,
As counsel for Ecoplexus, Inc., and
The South Carolina Solar Business Alliance, Inc.

RLW/cas
cc: All Parties of Record, (via, electronic mail)